

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



March 30, 2005

**Subject: Effective ULTS flat rate cost factor for fiscal year 2005-06**

To: Competitive Local Exchange Carriers

Pursuant to Ordering Paragraph (OP) 5 of the California Public Utilities Commission Decision (D) 03-01-035, Telecommunications Division is informing you of the Universal Lifeline Telephone Service (ULTS) cost factor (CF).

**Effective CF for the FY 2005-06 shall be \$.64 per customer per month.**

This ULTS CF may be utilized for the coming fiscal year (FY) 2005-06 in lieu of the incremental cost approach for reimbursement of the ULTS incremental operating expenses.

Pursuant to OP 6 of D. 03-01-035, please inform us by June 30, 2005 if your company will opt to use this CF to recover its ULTS related operating expenses. Please send your signed letter response to Kevin Feizi at the address noted above.

If you questions related to this letter, you may contact Kevin at 916-327-7798.

Sincerely,

**Jack Leutza**

Jack Leutza, Director  
Telecommunications Division